

INVEST DETROIT FOUNDATION

DETROIT, MICHIGAN

Invest Detroit Foundation (Invest Detroit) was formed in 2010 and was certified as a Community Development Financial Institution (CDFI) in 2011. Invest Detroit is a leading source of private sector gap financing, utilizing a variety of funding tools through managed for-profit and nonprofit targeted funds to support economic development opportunities in underserved communities, primarily in the City of Detroit. The organization promotes job creation, expansion of the tax base, and an improved quality of life for the communities it serves.

Since inception, Invest Detroit's CDFI has provided \$90.2 million in loans, investments, and New Markets Tax Credit (NMTC) allocations. It has used these resources to leverage \$407 million to support business expansion by financing equipment purchases, real estate development and redevelopment, predevelopment costs, neighborhood retail, and emerging businesses' development costs. Invest Detroit manages a family of funds, which includes its CDFI and affiliated funds formed in 1995. Collectively, these managed entities support significant investment in Detroit through loans, investments, and NMTC allocations, totaling \$164.5 million and leveraging a total investment of \$958 million.

Invest Detroit supports projects when financing is not available from traditional sources, is only available at high rates and with restrictive terms, or is unavailable because of the credit risks due to the under-resourced Detroit market.

To date, Invest Detroit has received \$70 million in NMTC allocations and \$1.45 million in CDFI Fund Financial Assistance and Technical Assistance awards. The financial and technical assistance awards have allowed Invest Detroit to expand the funding capacity of its Urban Retail Loan Fund (URLF) and to offer technical assistance grants, ranging from \$5,000 to \$25,000, to applicants and portfolio companies. With support from the CDFI Fund, Invest Detroit promotes a higher quality of life for distressed communities, primarily in the City of Detroit, by creating jobs, attracting new industry, and encouraging the development of business, housing, transportation, and other community resources.



18165 MACK AVENUE

In 2013, Invest Detroit worked with 18165 Mack Avenue, LLC to relocate an ACE Hardware retail store from a Detroit suburb to a previously vacant and blighted property in the Finney neighborhood of Detroit. Like many distressed areas in the city, the neighborhood has a high poverty rate of 35.7 percent and an unemployment of 36.7 percent—five times the national average.

Invest Detroit's Urban Retail Loan Fund (URLF) provided the business with a \$200,000 loan to help finance tenant improvements, purchase new equipment, and serve as working capital during the transition. This investment led not only to Detroit gaining a large, well-stocked hardware store in an area that previously lacked any comparable retail offerings, but it also provided for the development of 25,000 square feet of retail space and the creation of 20 new, full-time positions. These positions provide employees with the opportunity for on-the-job training, which is critical in a

community that struggles with high unemployment rates.

This Invest Detroit loan was made possible with a CDFI Fund Financial and Technical Assistance award, which leveraged \$2.95 million in total project costs and is strongly aligned with Invest Detroit's mission to support economic development in underserved and low-income communities.

CONTACT

Mary Seaberg King
mary.king@
investdetroit.com
313-259-6368
www.InvestDetroit.com

Invest Detroit BY THE NUMBERS

(1995 TO PRESENT*)

- JOBS CREATED OR RETAINED:
4,061
- NUMBER OF BUSINESSES
ASSISTED: 203
- NUMBER OF HOUSING UNITS
DEVELOPED: 2,865
- SQUARE FEET OF COMMERCIAL OR
RETAIL SPACE DEVELOPED: 6.7M
- TOTAL DOLLAR AMOUNT
LOANED: \$164.5M
- CERTIFIED AS A CDFI IN 2011

*INCLUDES ACTIVITY FROM AN AFFILIATED
ENTITY, DETROIT INVESTMENT FUND.

CDFI
COALITION
WWW.CDFI.ORG